

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM65417
2. Name of Operator YATES PETROLEUM CORPORATION-Mail: tinah@yatespetroleum.com		6. If Indian, Allottee or Tribe Name
3a. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 575-748-4168 Fx: 575-748-4585		8. Well Name and No. MARTHA AIK FEDERAL 14H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 11 T22S R31E NWSE 430FSL 178FEL		9. API Well No. 30-015-37556-00-X1
		10. Field and Pool, or Exploratory LIVINGSTON RIDGE
		11. County or Parish; and State EDDY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Deepen
	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input checked="" type="checkbox"/> Other Drilling Operations

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompletable horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

11/27/12 - Drilled to 6867' KOP and continued drilling directionally.

12/3/12 - TD 8-3/4" hole to 7439'.

12/5/12 - Set 7" 26# J-55 LT&C casing at 7439'. DV/stage tool at 6251'. Float collar at 7391.

Cemented stage 1 with 185 TXI Liteweight + 0.1% D013 + 6% D020 + 29#/sx D035 + 5% D044 + 0.2% D046 + 0.125#/sx D130 + 61#/sx D903 (yld 1.42, wt 13). Bumped plug to 923 psi, held OK. Circulated 43

sx to pit. Cemented stage 2 with 100 sx 35:65:6 Poz "C" + 0.1% D013 + 6% D020 + 29#/sx D035 + 5%

D044 + 0.2% D046 + 0.125#/sx D130 + 61#/sx D903 (yld 2.06, wt 12.6). Circulated 27 sx to half

round. Circulated 6 hrs between 2nd and 3rd stages. Cemented stage 3 with 400 sx 35:65:6 Poz "C"

+ 0.1% D013 + 6% D020 + 29#/sx D035 + 5% D044 + 0.2% D046 + 0.125#/sx D130 + 61#/sx D903 (yld 1.42,

wt 13). Tailed in with 100 sx Class "C" + 0.2% D013 + 0.2% D046 + 0.125#/sx D130 + 94#/sx D903

(yld 1.33, wt 14.8). Bumped plug to 2541 psi, held OK. Circulated 54 sx to half round.

12/7/12 - Tested casing to 1500 psi for 30 min, good.

RECEIVED

DEC 31 2012

NMOCD ARTESIA

Accepted for record

NMOCD
12/14/12

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #164082 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 12/18/2012 (13KMS4174SE)	
Name (Printed/Typed) TINA HUERTA	Title REG REPORTING SUPERVISOR
Signature (Electronic Submission)	Date 12/14/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED		JAMES A AMOS Title SUPERVISOR EPS	Date 12/27/2012
Approved By		Office Carlsbad	
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.			

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #164082 that would not fit on the form

32. Additional remarks, continued.

12/8/12 - Drilled float collar and shoe. Drilled out at 11:00 AM. WOC 42 hrs 30 min. Reduced hole to 6-1/8" and resumed drilling.

12/10/12 - Reached TD 6-1/8" hole to 10,330'.

12/12/12 - Set 4-1/2" 11.6# L-80 HCL-80 LT&C Buttress casing at 10,330'. Stage tool at 6486'. Crossover at 6509'. Float collar at 10,288'. Cemented with 259 sx PVL + 0.5% D112 + 1.5% D174 + 0.1% D208 + 0.7% D800 + 0.2% D46 (yld 1.82, wt 13).

12/12/12 - Rig released at 6:00 AM.